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Report of the Alberta Special Committee
on the Subject of Workmen's Compen



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REPORT

of the

SPECIAL COMMITTEE

Appointed May 14th, 1968 to

Inquire Into and Make Recommendations

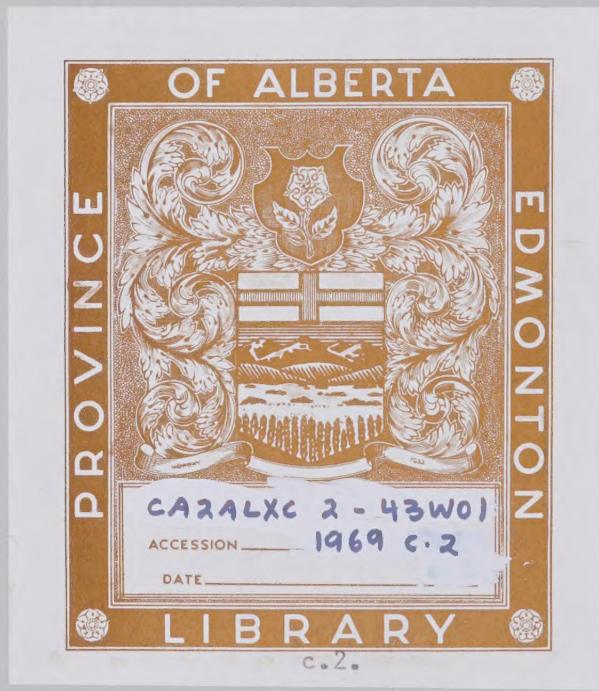
on the Subject of

WORKMEN'S COMPENSATION

and

THE WORKMEN'S COMPENSATION ACT

SESSIONAL PAPER No. 310, 1969



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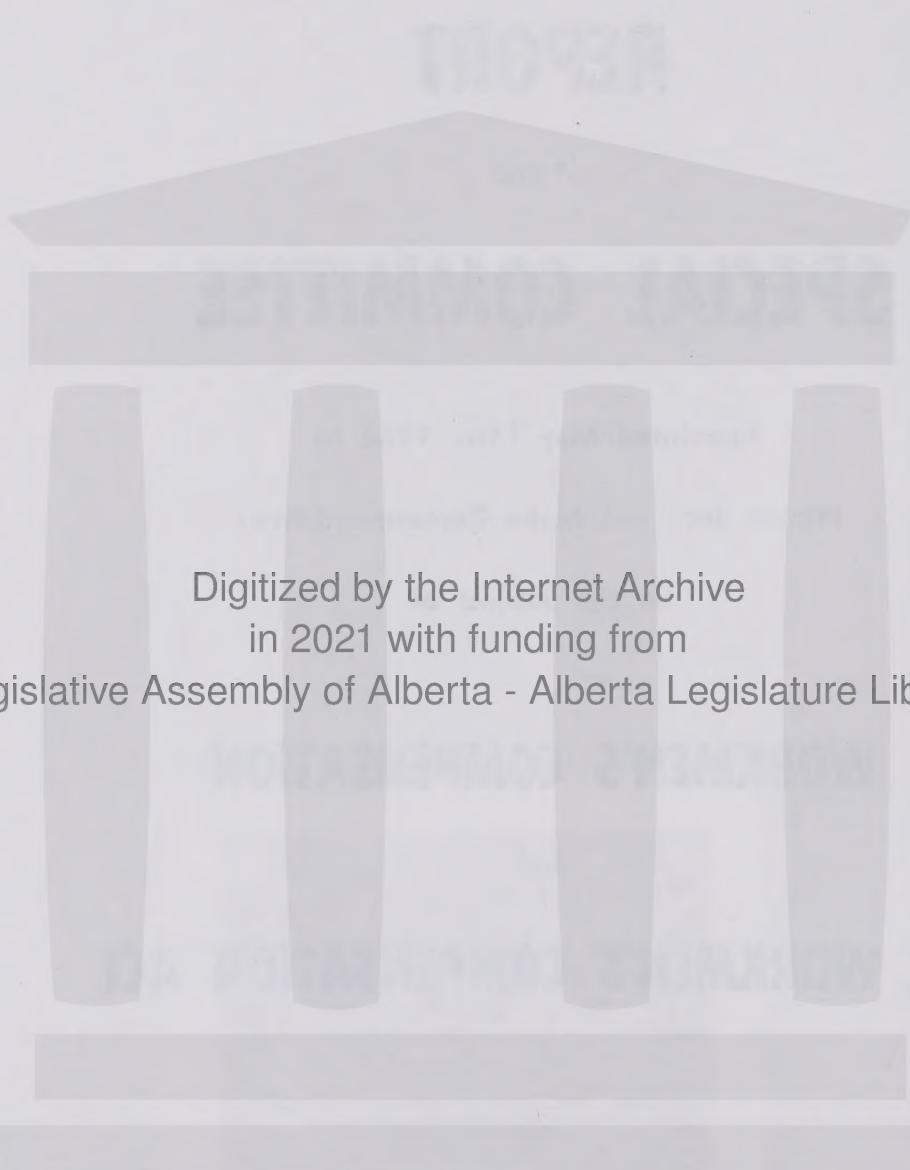
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APPOINTMENT AND CONDUCT OF COMMITTEE

Order in Council numbered O.C. 903/68, drafted in response to a Resolution passed by the Legislative Assembly on March 22, 1968, appointed a Special Committee to review provisions of The Workmen's Compensation Act, receive petitions thereto, and to make recommendations to the Assembly concerning the administration of or amendments to the Act. Members of the Special Committee are as follows:

Hon. Mr. Clark,
Hon. Mrs. Wilson
Mr. Cooper (Chairman)
Mr. Drain
Mr. Ludwig
Mr. Switzer
Mr. Werry.

Your Committee met with Members of the Workmen's Compensation Board on May 30th and 31st, 1968, in order to review various aspects of the administration of workmen's compensation, and to become familiar with the responsibilities of the Board.

Your Committee met next on August 15th, 1968, to set dates and select places for the conduct of public hearings.

Petitioners appeared before your Committee in Edmonton on September 18, 19 and 20, 1968, and in Calgary on October 3 and 4, 1968.

Your Committee met on January 15, 16 and 17, 1969; on January 30 and 31, 1969 and on February 19 and 21, 1969, to consider the various representations made to it and to draft its recommendations to the Legislative Assembly.

Your Committee was privileged to visit the Board's Rehabilitation Clinic at 7123 - 119th Street, Edmonton, in May, 1968.

RECOMMENDATIONS

of the Special Committee, made in response to Public Petitions

1. SEC. 19 (8a) That where a workman dies after making a claim to the Board, the subsequent claim of that workman's dependent shall be made within three years following the death of the workman.
2. SEC. 24 (9) That the protection against right of action, provided to the employer of a workman who (or whose dependent) is entitled to compensation, shall be broadened to include protection for other workmen of the same employer.
3. SEC. 25 (8) That the Board report to an employer from time to time, the particulars of the condition of a workman under treatment, on the request of said workman's employer.
4. SEC. 26 & 27 That the Board be required to comply with a written request by an employer to have a workman under treatment examined by a medical practitioner selected by the employer, and at the expense of the employer.
5. SEC. 27 (1) That the employer of a workman claiming compensation be authorized to request a medical examination of the workman under provisions similar to those granted to the workman by this section.
6. SEC. 33 (1) (a) That the maximum amount of compensation provided to the dependent widow of a deceased workman, for burial expenses, be increased from \$250.00 to \$350.00.
7. SEC. 33 (1) (b) That the sum provided to the dependent widow or invalid widower of a deceased workman, for additional expense, be increased from \$200.00 to \$300.00.
8. SEC. 33 (1) (c1) That the maximum amount of compensation provided to the dependent widow of a deceased workman, for burial plot expenses, be increased from \$50.00 to \$100.00.
9. SEC. 33 (1) (d) That compensation paid to a widow or a dependent widower of a deceased workman be increased from \$85.00 per month to \$110.00 per month.
10. SEC. 33 (1) (e) That the amount of compensation provided to a dependent child under the age of sixteen years be increased from \$45.00 to \$50.00.
11. SEC. 33 (1) (el) That the amount of compensation provided to a dependent child over the age of sixteen years and under the age of twenty-one years be \$55.00 per month, subject to the provisions of section 36 of the Act.
12. SEC. 33 (1) (f) That the amount of compensation provided to a dependent invalid child, irrespective of the age of the child, be increased from \$45.00 to \$55.00.

13. That the amount of additional compensation provided to an orphaned dependent child be increased from \$35.00 to \$50.00.
SEC. 33 (1) (g)

14. That the lump sum payable to a dependent widow upon remarriage be increased from \$1,200.00 to \$1,320.00.
SEC. 39

15. That the Act be amended to authorize the Board to compensate a disabled workman for unusual wear on clothing, caused by prolonged use of prosthetic appliance.
SEC. 50

16. That the income ceiling for computing compensation be increased from \$5,600. to \$6,600.00 per annum.
SEC. 50 (3)

17. That this section apply only to temporary total disability and that the minimum amount of compensation payable be increased from \$35.00 per week to \$40.00 per week.
SEC. 51 (1)

18. That new section 52a be added to the Act as follows:
SEC. 52a "52a Notwithstanding the provisions of The Workmen's Compensation Act in force at the time of the accident and irrespective of the date of the accident a workman entitled to compensation for permanent total disability shall be paid not less than \$175.00 a month, and a workman entitled to permanent partial disability compensation assessed at more than 15% of total disability shall be paid a proportionate monthly amount according to the percentage of disability assessed, but nothing in this Section entitles a workman to be paid additional compensation for any period prior to the 1st day of May, 1969.

Cost of Upgrading Pension Benefits

The Committee recommends that the cost of upgrading the pensions in respect of accidents occurring prior to May 1, 1969, be borne by the General Revenue of the Province.

19. That pre-employment medical examination including chest x-rays be a condition of employment in silicate affected industries.
SEC. 53

20. That a subsistence allowance of \$8.00 per day be granted to a workman undergoing medical treatment ordered by the Board, subject to proportionate reduction when meals or lodging are provided by the Board.
SEC. 54 (4) (c)

OTHER GENERAL RECOMMENDATIONS

THE COMMITTEE RECOMMENDS THE FOLLOWING

SEC. 2 (d) "Board" means "The Workmen's Compensation Board" to conform to Section 3 of the Act.

SEC. 2 (x) inclusion of a definition of "pension"

SEC. 4 (2a) strike out as no longer necessary

SEC. 5 (3) provision that two Commissioners constitute a quorum of the Board

SEC. 8 (3) provision to permit Board to delegate powers of administration, adjudication and review

SEC. 9 Revision of Board's powers to acquire and dispose of real property.

SEC. 15 (2) (3) Extension of Board's accident prevention powers to officers and to places of employment.

(5)

SEC. 15 (7) provision to make it clear that the contribution levied can be up to one-half of the costs of the claim — this would clearly include the capital cost of any pension awarded.

SEC. 15 (7a) as no monthly award is likely to be made in the case of a fatal accident to a single workman, it is proposed to make use of the average capitalized award for all fatal accidents in the year concerned as a basis on which the contribution of one-half the costs of the claim can be levied.

SEC. 19 (6) The latter part of this subsection is extended to cover the commencement of payment of compensation when the workman does not immediately lay off following the accident — compensation in such a case will commence from the date of the disability.

SEC. 24 (8) (b) a change of verb from the plural "indicate" to the singular "indicates".

SEC. 24 (9) A division of this subsection into its two different concepts. The protection of the Act is afforded to other employers if the conduct which might otherwise make it liable itself arose out of and in the course of the employer's employment. Where an accident is caused by the negligence of such an employer or its workman the Board has the power to include the costs of the claim in that negligent employer's experience account as well as to charge it to his class.

SEC. 25 (8) (b) the provisions of clauses (b) and (d) are combined to facilitate the forwarding of further medical reports when and as required by the workman's condition.

SEC. 25 (10) payment by the Board of any medical aid account does not constitute the making of a claim or its acceptance by the Board.

SEC. 27 (3) (e) it is felt that the other matters on which the examining specialists may certify should be confined to those of a medical nature.

SEC. 31 (3) "Residing in Alberta" in line 3 is proposed to be deleted.

SEC. 32 (a) Revision to include those cases where the dependents might become a charge upon the Province.

SEC. 33 (1) (a) Inclusion of the expense of cremation if it is chosen by the workman's family.

SEC. 33 (h) (i) Proposed removal of monetary limitations respecting additional assistance.

SEC. 41 (2) Provision that the capital cost of any legislative increases in pensions to dependents in respect of fatal accidents of other years will not form part of the capitalized awards which will be averaged for the fatal accidents in the 1969 year.

SEC. 44 (1) Provision to make it clear that it is only where the dependent is residing outside of Canada at the date of the workman's death that the section has any application.

SEC. 46 (a) Delete word "partial" throughout in order that total disability award recipients as well can benefit from the provisions of the section.

SEC. 50a Replacement or repair of clothing is authorized and it is made clear that only the workman himself is entitled to this benefit.

SEC. 51 (7) The Board can pay compensation to a wife or in such manner as the Board deems in the workman's best interest when he is unable to endorse his cheque because of the accident.

SEC. 54 (8) A revision to enable the Board to pay for the cost of transportation and conveyance of a workman if the employer fails to pay for it, and to provide a better method of collecting this cost from such an employer.

SEC. 54 (10) correction of a failure to provide for the discounting of a medical account submitted six to nine months after the period ordinarily allowed.

SEC. 59 (1) Legislative provision is made for separate employer experience accounts.

SEC. 59 (2) the capital cost of pensions awarded are to be included in the costs of a claim.

SEC. 67 (14) the prohibition against the divulging of information should apply to employees as well as members of the Board and its officers.

SEC. 77 (4)(5) In view of recent judicial pronouncements these subsections are combined, the Board's charge is described as being legal in distinction to an equitable charge and provision is made to follow the proceeds of an employer's property.

SEC. 78 (2) a general revision of this subsection to more adequately cover situations which have arisen in the past.

PUBLIC HEARINGS

Date	Place	Petitioner	Brief No.
Sept. 19 — Edmonton		Alberta Chiropractic Association	1
Sept. 18 — Edmonton		Alberta Federation of Labour	2
Sept. 18 — Edmonton		Canadian Amputees Association	3
Sept. 18 — Edmonton		Canadian Manufacturers' Association	4
Sept. 20 — Edmonton		Canadian National Railways	5
Oct. 3 — Calgary		Canadian Pacific Railways	6
Oct. 3 — Calgary		Coal Operators Assoc. of Western Canada	7
Sept. 19 — Edmonton		Graphic Arts Industries Association	8
Sept. 19 — Edmonton		International Railway Brotherhoods	9
Sept. 19 — Edmonton		Pipeline Construction Industry	10
Sept. 18 — Edmonton		Edmonton Chamber of Commerce	11
Sept. 20 — Edmonton		Mr. R. G. Wheatley	12
Oct. 3 — Calgary		Drumheller-Gleichen Social Credit Construction Association (absent)	13
Oct. 3 — Calgary		Alberta Gas Trunk Line Co. Ltd.	14
Sept. 20 — Edmonton		All Canada Insurance Federation	15
Oct. 4 — Calgary		Canadian Association of Oilwell Drilling Contractors	16
Oct. 4 — Calgary		City of Calgary	17

FINDINGS OF COMMITTEE

SEC. 2

Brief No. 1

Proposed:

That the term "medical practitioner" be defined in the interpretation section of the Act.

The Committee does not concur

SEC. 2 (a)

Brief No. 5

Proposed:

That the definition of "accident" be maintained as enacted.

The Committee concurs

SEC. (2) (a)

Brief No. 9

Proposed:

That "course of their employment" include workmen who are required to move from one point to another as a condition of employment.

The Committee concurs when a workman is directed by his employer to travel for purposes arising out of his employment. W. C. B. policy is to support such claims when evidence clearly indicates that travel was conducted on the employer's behalf.

SEC. 2 (j)

Brief No. 11

Proposed:

That "employer" be defined to cover business organizations that actively carry on work in a compensable industry without requiring that they employ workmen.

The Committee does not concur

SEC. 2 (j)

Brief No. 16

Proposed:

That the Act be amended to permit self-employed workmen or contractors to be brought under the Act.

The Committee does not concur

SEC. 10

Briefs No. 6 and 17

Proposed:

That there should be right of appeal to the Supreme Court of Alberta from decisions of the Board.

The Committee does not concur

SEC. 10

Brief No. 10

Proposed:

That a non-partisan review committee be established to act as an appeal tribunal.

The Committee does not concur

SEC. 13

Brief No.11

Proposed:

That, when the Board is proposing to either bring an industry under the Act or withdraw an industry from coverage, the affected industry be notified in advance and permitted to make full representation to the Board before action is taken.

The Committee concurs and notes that this proposal is reflected by current Board policy.

SEC. 13

Brief No. 8

Proposed:

That separate classification and rate of assessment be provided for printing firms.

The Committee does not concur. The Committee urges the board to continue its policy of re-appraising the classification and assessment of low accident rate industries, within the limits imposed by costs of administration.

SEC. 15

Briefs No. 2 and 9

Proposed:

That the Board maintain effective liaison with safety authorities of the Federal Department of Labour on behalf of its accident prevention policies.

The Committee concurs.

SEC. 15

Brief No. 9

Proposed:

That all contractors be bonded and licensed and required to report to the Board, giving details of each proposed excavation, trenching or erection job. Further proposed that failure to report will incur cancellation of a contractor's license.

The Committee does not concur. Employers are subject to penalties for infractions under Board regulations governing trenching, excavation or erection.

SEC. 15

Brief No. 2

Proposed:

That approved safety inspectors be compelled to attend all work projects, particularly those involving trenching, excavation and erection.

The Committee does not concur. Safety Inspectors are able to cover the large majority of projects and neglect to comply with regulations is subject to exposure and penalty.

SEC. 15

Brief No. 2

Proposed:

That responsibility for adherence to terms of the Act rests with the contractors.

The Committee concurs to the degree that contractors are responsible for providing safety measures under provision of the Act and Board regulations. The contractor cannot be held entirely responsible for accidents caused by a workman's flagrant disregard of safety devices and procedures provided for his protection.

SEC. 15

Brief No. 2

Proposed:

That safety and protective devices, including special clothes and equipment be provided to the workman free of charge (presumably at the expense of the employer).

The Committee does not concur. Requirements of employer, in the provision of safety devices, are contained in regulations. Further provision is a matter for negotiation between employer and employee or union, within Board rules.

SEC. 15

Brief No. 2

Proposed:

That a union or employee representative be authorized to accompany a Board inspector during an investigation of a complaint regarding safety and that a copy of the inspector's report be made available to the union or employee agent.

The Committee concurs to the extent that the employer and the employees may negotiate future work contracts containing such a provision. The Board has no objection to making its inspection report available to recognized agents of both employee and employer.

SEC. 15

Brief No. 2

Proposed:

That the number of safety inspections be increased considerably.

The Committee concurs. This is a question of available manpower and costs of inspection which must be borne by the Fund and therefore supported by employer contribution. Approximately 34,000 Safety Inspections were recorded in 1968. Increases proportioned to industrial expansion are foreseen.

SEC. 15

Brief No. 2

Proposed:

That an employee may be authorized to refuse to work if, in the view of the safety committee, it is unhealthful or unsafe to do so.

The Committee does not concur. Adequate provision is now contained in the Act and regulations.

SEC. 15

Brief No. 2

Proposed:

That the Act define in clearer and more precise terms the standards and requirements of safety in various industries.

The Committee does not concur. Details and specifications for preventing accidents in various industries are set out in Board regulations.

SEC. 17

Brief No. 2

Proposed:

That, from among a specified number of employees in a single industrial unit, one employee must be a qualified first-aid man. Further, that the selected first-aid man be paid 25 cents per hour in addition to his regular rate of pay.

The Committee does not concur. Regulations currently stipulate the proportion between number of employees and required first-aid and medical services.

Provision of pay for first-aid services is deemed a consideration of the employer, not of the Board.

SEC. 19 (1)

Brief No. 16

Proposed:

That, except for fatalities or serious disablement, benefits be withheld when an employee is injured as a result of disobedience to or wilful violation of Board regulations.

The Committee concurs and notes that Section 19(1) authorizes the Board to act as proposed.

SEC. 19

Brief No. 16

Proposed:

That all claims against the Board be settled within a reasonable period of time, namely 3 years.

The Committee does not concur.

SEC. 19

Briefs No. 5, 6, 11 and 16

Proposed:

That the maximum period of time allowed for filing a compensation claim be limited to:

- (a) 12 months
- (b) 18 months.

The Committee does not concur and notes that provisions of the Act supply desirable flexibility.

SEC. 19 (2)

Brief No. 5

Proposed:

That subsection (2) of Section 19 be "clarified" on behalf of assumed conflict between interpretation of "accident" and "disability" resulting from disease.

The Committee does not concur and considers that interpretation of "accident" under Section 2(a) (iii) of the Act to be adequate for the purposes of Section 19(2).

SEC. 19 (5)

Brief No. 5

Proposed:

That "redundancy" is created by the enumeration of certain diseases when "disablement by disease" is appropriate to cover all such cases. Presumably deletion of sub-section (5) of Section 19 is recommended, though not precisely proposed.

The Committee does not concur.

SEC. 19 (6)

Brief No. 2

Proposed:

That an employer be made responsible for paying an injured workman, for eight (8) hours work on the date of the accident.

The Committee does not concur. Proposal is not within the Board's jurisdiction.

SEC. 19 (6)

Brief No. 16

Proposed:

That a three (3) day waiting period following date of accident be ordered and, if disablement exceeds the waiting period, compensation be commenced on the day following date of accident.

The Committee does not concur.

SEC. 19 (8a)

Brief No. 5

Proposed:

That a reasonable time limit be imposed upon a dependent whose claim is subsequent to that of a workman who died after making his claim.

The Committee concurs and recommends a time limit of three (3) years.

SEC. 19 (8a)

Brief No. 5

Proposed:

That a time limit in respect to 19 (8a) be set at within one (1) year of the death of the workman.

The Committee does not concur and proposes a three (3) year time limit instead (see above).

SEC. 24 (2)

Brief No. 11

Proposed:

That subsection (2) of Section 24 be amended by defining the word "employer" to include officers, directors and employees of a corporation.

Refer to amendment proposed to Section 24 (9).

SEC. 24 (4)

Brief No. 9

Proposed:

That subsection (4) of Section 24 be amended to provide that "where an accident occurs to a workman in the course of his employment in such circumstances as to entitle him or his dependents to an action against some person other than his employer; the workman or his dependents, if entitled to compensation under this part, may either claim compensation or bring action".

The Committee does not concur and acknowledges that action may only be taken by a claimant or his agents, with the consent of the Board.

SEC. 24 (4)

Brief No. 11

Proposed:

That subsection (4) of Section 24 be re-drafted to eliminate litigation arising out of industrial accidents.

The Committee does not concur and acknowledges that litigation may in fact proceed with the consent of the Board.

SEC. 24 (9)

Briefs No. 5, 14, 15 and 17

Proposed:

That subsection (9) of Section 24 be amended to prohibit action against other

employees of the employer who is currently protected by the Act from action by an injured workman entitled to compensation.

The Committee concurs and recommends that subsection (9) of Section 24 be amended by inserting after the word "against" on the eight line of 24(9) of The Workmen's Compensation Act (Office Consolidation), the words "a fellow workman or".

SEC. 25 (8)

Brief No. 1

Proposed:

That among reports in respect of injury, in such form as may be required by the Board, there be identified, with appropriate fees, those reports dealing with chiropractic.

The Committee does not concur.

SEC. 25(8)

Brief No. 11

Proposed:

That progress medical reports covering all phases of treatment provided to an injured workman shall be issued to the employer upon request.

The Committee does not concur with the request for direct transmission of medical reports to the employer. The Committee recommends that the Board report from time to time the particulars of the condition of a workman under treatment, to the workman's employer, upon the employer's request.

SEC. 25

Brief No. 4

Proposed:

That, along with a critical investigation of back injuries by claims officers, the employer be advised by the Board as to:

- (a) the date or dates when an employee reports for treatment or examination,
- (b) the date when an injured employee is made available for re-employment and the extent to which an injured employee might resume his former work.

The Committee concurs and acknowledges that both (a) and (b) are currently standard Board procedures.

SEC. 25 (7)

Brief No. 2

Proposed:

That stricter penalties be levied against employers for failure to report accidents.

The Committee does not concur.

SECS. 26 & 27

Briefs No. 4 and 17

Proposed:

That the employer of a workman under compensation be authorized to have such workman examined by a medical practitioner chosen by the employer.

The Committee concurs that such authorization is reasonable if the request is made in writing to the employee and the Board, committing the employer to expense of the examination(s) sought.

SEC. 27 (1)

Brief No. 5

Proposed:

That the employer of a workman claiming compensation shall be authorized to request a medical examination of such workman.

The Committee concurs.

SEC. 27

Brief No. 1

Proposed:

That chiropractic practitioners be nominated by the Board to all examining boards where the injured workman under examination was formerly under the care and treatment of a doctor of chiropractic.

The Committee does not concur.

SEC. 27

Brief No. 12

Proposed:

That a workman claiming compensation or his counsel be granted access to medical information on which the Board has based its decision.

The Committee does not concur.

SEC. 33 (1)

Brief No. 9

Proposed:

That recipients of widow's and dependent's pensions under the Act be granted full coverage under The Alberta Health Plan and that subsections (h) and (i) of Section 33 (1) be amended accordingly.

The Committee does not concur.

SEC. 33 (1)

Briefs No. 4 and 9

Proposed:

That the maximum amount of compensation provided to the widow of a deceased workman for burial expenses be increased from \$250.00 to \$450.00.

The Committee does not concur and recommends that the amount be increased from \$250.00 to \$350.00.

SEC. 33 (1)

Brief No. 9

Proposed:

That the maximum amount of compensation provided to the widow of a deceased workman to pay for cost of a burial plot be increased from \$50.00 to \$100.00.

The Committee concurs.

SEC. 33 (1)

Brief No. 9

Proposed:

That the sum of \$200.00 provided to the dependent widow of a deceased workman as a contribution to the additional expense occasioned by her husband's death be increased to \$300.00.

The Committee concurs.

SEC. 33 (1)

Brief No. 9

Proposed:

That the amount of compensation provided to a dependent child, under 16 years of age, of a deceased workman be increased from \$45.00 per month to \$55.00 per month.

The Committee does not concur and recommends that the amount be increased from \$45.00 to \$50.00 per month.

The Committee further recommends, with respect to clause (el) of subsection (1) of Section 33, that the amount of compensation provided to a dependent child over 16 years of age and under 21 years of age be \$55.00 per month subject to the terms of Section 36 of the Act.

SEC. 33 (1)

Brief No. 9

Proposed:

That the amount of compensation provided to the orphaned child of a deceased workman under terms of clause (g), subsection (1) of Section 33, be increased from \$35.00 to \$40.00.

The Committee recommends that the amount of compensation be increased from \$35.00 to \$50.00.

The Committee further recommends in reference to clause (f) of subsection (1) of Section 33, that the amount of compensation be increased from \$45.00 per month to \$55.00 per month.

SEC. 33 (1)

Briefs No. 4 and 16

Proposed:

That compensation paid to dependents of a deceased workman under terms of Section 33 (1) be reduced in proportion to amounts received by said dependents, for similar reasons, from other sources (especially from Canada Pension Plan).

The Committee does not concur, believing that the consideration of benefits from other sources is contrary to the intent of the Act.

SEC. 33 (1)

Brief No. 2

Proposed:

That maximum compensation paid for the burial expenses of a deceased workman be increased from \$250.00 to \$350.00.

The Committee concurs (see above).

SEC. 33 (1)

Brief No. 2

Proposed:

That the compensation paid to an invalid widower as a contribution to additional expense occasioned by the death of a workman (his wife) be increased from \$200.00 to \$250.00.

The Committee recommends that the amount be increased to \$300.00.

SEC. 33 (1) (d)

Brief No. 9

Proposed:

That compensation paid to a widow or a dependent widower of a deceased workman be increased from \$85.00 per month to \$125.00 per month.

The Committee does not concur but recommends that the compensation be increased from \$85.00 per month to \$110.00 per month.

SEC. 39

Brief No. 9

Proposed:

That the allowance paid to a dependent widow upon re-marriage be a lump sum equal to 24 payments of the monthly allowance.

The Committee does not concur and recommends that the \$1,020.00 lump sum provided under Section 39 be increased to \$1,320.00, being the total of 12 payments at \$110.00.

SEC. 41

Brief No. 4

Proposed:

That the Board maintain a review of the apportionment of capitalized awards in fatal accidents.

The Committee concurs.

SEC. 41 (2)

Brief No. 5

Proposed:

That the Board conduct a review of capitalized awards created as a result of fatal accidents with a view to effecting changes of capital awards in cases where there are no surviving widows or other dependents.

The Committee concurs.

SECS. 45 - 46

Brief No. 9

Proposed:

That compensation awarded to workmen for permanent disability fluctuate in accordance with the Consumer Price Index, published by the Dominion Bureau of Statistics; adjustments to be calculated annually or biannually.

The Committee does not concur.

SEC. 46

Brief No. 5

Proposed:

That scales of compensation for permanent partial disability be re-evaluated in terms that consider modern working conditions and technology, prosthetic advantages, retraining and rehabilitation programs.

The Committee concurs.

SEC. 47

Briefs No. 4 and 5

Proposed:

That the present rate of 75 per cent of average weekly earnings, used as a basis computing compensation for cases of temporary total disability, be maintained.

The Committee concurs.

SEC. 47

Brief No. 9

Proposed:

That Section 47 be amended by deleting the word "total" and by adding a subsection as follows:

"when an injured workman has been awarded temporary total compensation, the same shall be continued until he is able to resume his former occupation".

The Committee does not concur — noting that compensation is paid on the extent of disability and duration of same.

SEC. 48

Brief No. 2

Proposed:

That full compensation be maintained until an injured workman is able to resume his former occupation and that a workman be prevented from accepting 'light work' during recuperation period.

The Committee does not concur and acknowledges that, while compensation may be provided for the full term of disability, a workman should not be discouraged from attempting 'light work' and thereby performing a useful service. The Committee is not unmindful of the therapeutic value of minor accomplishment by the temporarily handicapped workman.

SEC. 48

Brief No. 5

Proposed:

That the payment of temporary partial disability compensation to a workman who has returned to his former occupation be discontinued.

The Committee does not concur.

SEC. 49

Brief No. 17

Proposed:

That words "to save a human life" be broadened to include "attempting to save a human life".

The Committee concurs and notes that the Board interprets Section 49 to include "attempts".

SEC. 49 (b)

Brief No. 17

Proposed:

- (a) That words "in any other industry" be broadened to include policemen who come under The Workmen's Compensation Act.
- (b) That "other catastrophe" be augmented by reference to "flood", "earthquake" and "tempest".

The Committee concurs but acknowledges that the phrase "other catastrophe" provides broad flexibility to this section that might disappear with any attempt to identify a particular "catastrophe" or "disaster".

SEC. 50a

Brief No. 3

Proposed:

That a special clothing allowance be granted in conjunction with disability compensation to workmen who wear prosthetic appliances as a consequence of compensable injury.

The Committee concurs and recommends that the following Section be added to the Act after 50a:

"50b. The Board is authorized to compensate a disabled workman for unusual wear on clothing, caused by prolonged use of a prosthetic appliance."

SEC. 50 (3)

Brief No. 2

Proposed:

That the income ceiling for computing compensation, currently \$5,600.00, be removed.

The Committee does not concur. (Refer to next proposal).

SEC. 50 (3)

Brief No. 9

Proposed:

That Section 50 (3) and Section 20 (7) be amended by deleting amount \$5,600 and by substituting therefor the words "seventy-five per cent of actual earnings".

The Committee does not concur, and recommends that the maximum yearly wage which may be used as a basis for computing compensation be increased from \$5,600.00 per annum to \$6,600.00 per annum.

SEC. 51 (1)

Brief No. 9

Proposed:

That the minimum amount of compensation paid to a workman for temporary total or permanent total disability be not less than \$45.00 per week or where his average earnings are less than \$45.00 per week, the amount of his earnings.

The Committee does not concur and recommends that Section 51(1) be amended

- (a) by striking out the words "or permanent total"
- (b) by striking out the words "thirty-five dollars and by substituting the words "forty dollars".

SEC. 52a

Briefs No. 2, 3, 9, 13

Proposed:

That pension benefits be recalculated to bring them into line with current pension rates.

The Committee concurs and recommends that new Section 52a be added to the Act, to read as follows:

"52a Notwithstanding the provisions of the Workmen's Compensation Act in force at the time of the accident and irrespective of the date of the accident, a workman entitled to compensation for permanent total disability shall be paid not less than \$175.00 a month, and a workman entitled to permanent partial disability compensation assessed at more than 15% of total disability shall be paid a proportionate monthly amount according to the percentage of disability assessed, but nothing in this Section entitles a workman to be paid additional compensation for any period prior to the 1st day of May, 1969.

Cost of Upgrading Pension Benefits

The Committee recommends that the cost of upgrading the pensions in respect of accidents occurring prior to May 1, 1969, be borne by the General Revenue of the Province.

SEC. 53

Brief No. 7

Proposed:

That compulsory pre-employment medical examination, including chest x-rays be a condition of employment in silicate affected industries in Alberta.

The Committee concurs and recommends to the Board the consideration of safety regulations regarding disposal of gravel crusher dust by blowers.

SEC. 54

Brief No. 1

Proposed:

That a chiropractic department of the Board be engaged on a fee for service rendered basis to analyze all chiropractic x-ray photos sent to the Board for evaluation.

The Committee does not concur.

SEC. 54

Brief No. 1

Proposed:

That a chiropractic department of the Board be established, similar to the medical department of the Board.

The Committee does not concur.

SEC. 54

Brief No. 1

Proposed:

That a chiropractic office be established at the W. C. B. Rehabilitation Clinic.

The Committee does not concur.

SEC. 54

Brief No. 1

Proposed:

That the Alberta Chiropractic Association minimum schedule of fees become a basis for all future W.C.B. chiropractic fees.

The Committee does not concur.

SEC. 54 (4) (b)

Briefs No. 2 and No. 9

Proposed:

That, when a workman is directed by the Board to undertake treatment at a place other than at which he resides, he be granted a subsistence allowance of \$8.00 per day while treatment lasts, subject to proportionate reduction when meals or lodging are provided by the Board.

The Committee concurs.

SEC. 63

Brief No. 7

Proposed:

That, for future silicosis awards, only that portion of the award resulting from exposure in mines of present Class 1 employers be charged to Class 1 silicosis reserve fund.

The Committee concurs in principle but acknowledges that the determination of "portions of award" on the basis of consecutive exposures to silicates in a variety of environments may be debatable.

SEC. 63

Brief No. 7

Proposed:

That costs of supporting the Class 1 silicosis reserve fund, in excess of employer assessments apportioned as above, be borne by the Province.

The Committee does not concur and recommends that the Board take whatever measures are available to it to rehabilitate the fund.

SEC. 64

Brief No. 17

Proposed:

That the use of penalties for employer negligence and merit refunds for employer co-operation, as applied to assessments, be broadened.

The Committee concurs in the use of merits and demerits and notes that the Board has adequate authority to vary incentives under Section 64.

The Committee further acknowledges that the Board requires a period of approximately 3 years in which to fairly assess penalties and incentives.

SEC. 67

Brief No. 17

Proposed:

That during an inquiry into an accident the Board should not make decisions affecting the right of an employer or workman without first holding a fair, open and impartial hearing and providing to the employer and to the workman an opportunity to review the conditions that any decision imposes on both workman and employer. Further proposed that the Board make available to each party all the material before it and being considered by it in reaching its decision.

The Committee does not concur.

SEC. 85

Brief No. 2

Proposed:

That all employees should be covered by compensation including all levels of the Public Service and Crown Corporations.

The Committee does not concur, and notes that employees of the Public Service and Crown Corporations are covered under the Act.

SCHEDULE 3

Brief No. 9

Proposed:

That arthritis and anthracosis be added to the schedule of industrial diseases.

The Committee does not concur in respect to arthritis and notes that anthracosis is contained in Schedule 3.

GENERAL

Brief No. 2

Proposed:

That a new section be added to the Act making it an offense by an employer who discharges an employee while he is receiving compensation benefits.

The Committee does not concur and recommends that management and labor co-operate to establish the injured workman as a productive member of society, with a minimum of dislocation to the employee.

GENERAL

Brief No. 9

Proposed:

That studies be conducted to determine the long range effects of toxic industrial materials on workmen with a view to providing compensation coverage for effect of such contamination.

The Committee concurs and acknowledges that such studies are currently underway.

GENERAL

Brief No. 9

Proposed:

That a second Rehabilitation Centre be established in the south part of the Province.

The Committee does not concur and notes that there is an appreciable, continuing increase in the facilities provided by hospitals for physio-therapy.

GENERAL

Brief No. 16

Proposed:

That the Board, in co-operation with employers, undertake an educational program to ensure that all workmen in each industry are made aware of Board regulations.

The Committee acknowledges that safety information programs, sponsored by the Board, are increasing in scope continually.

GENERAL

The Committee recommends, in the absence of a relevant petition, that the Board review employee rolls of agencies that sub-contract their services to principals, to insure that employees of such agencies come under The Workmen's Compensation Act.

ACCIDENT PREVENTION

The Workmen's Compensation Act authorizes the Board to engage in education and instruction in accident prevention, to carry out inspections, to make regulations concerning safety and safe working conditions and to ensure that such regulations are complied with.

Responsibility for the accident prevention phases of the Board's operations is assigned to the Accident Prevention Department under the direction of the Safety Director. The staff is organized to reflect the two main functions of education and inspection with the Head Office in Edmonton and Branch Offices in Grande Prairie, Red Deer, Calgary and Lethbridge. A decentralized organization is used in order to delegate as much authority as possible to the Branch Offices.

Cooperation with industry, labour and Government Agencies is an important factor in the safety programs and is kept in mind by the Board in dealing with accident prevention.

EDUCATION

Safety adviser programs are conducted for employers who have unsatisfactory industrial accident records and who request this form of assistance. A Safety Supervisor conducts an analysis of the employer's operations, identifies any shortcomings in the management system that have led to accidents and presents a report in depth to the employer. Company Supervisors are given a safety course and assistance is given to the employer to organize and conduct an effective safety program.

Industrial safety courses are conducted for Managers, Safety Co-ordinators and Supervisors. These courses vary in length — two days for Managers, five days for Safety Co-ordinators and ten hours for Supervisors. 987 persons attended these courses in 1968.

In addition to the above courses, 56 seminars and safety nights, with a total attendance of 2,576 workmen and employers, were presented in various centres during 1968.

The Accident Prevention Department also plans and administers first aid training for workmen in industry, the instruction being carried out by St. John Ambulance instructors. 3,086 first aid students received this training and qualified for first aid certificates in 1968.

The Board sponsors and provides assistance to 22 Industrial Safety Councils and Associations. These organizations have been formed by employers in various industries with the object of reducing their accident experience and associated costs. 320 members belonged to these organizations in 1968. Employers' representatives review their accident experience and mutual problems at council meetings and, in some cases, conduct safety surveys of members' places of work.

Safety promotion activities also include the production and distribution of a variety of literature, posters, news bulletins and booklets dealing with many aspects of industrial safety. Sixty-second T.V. shorts on 18 different safety subjects have been distributed to Broadcasting Stations in the Province. Safety film libraries are maintained in the Calgary and Edmonton Branches and more than 1,400 showings of these films were made throughout the Province in 1968.

INSPECTION

Places of employment are inspected by members of the Accident Prevention Department to determine whether The Workmen's Compensation Board's safety regulations are being complied with. Hazardous working conditions and unsafe practices are pointed out to the employers concerned. Requisitions or orders are issued to the employer, where necessary, giving specific direction to remedy unsafe situations. Accident experience is reviewed with employers and, where necessary, accidents are investigated in depth to ensure that all possible measures are taken to avoid similar accidents occurring in the future. In 1968 more than 31,000 inspections of places of employment were made and more than 400 accidents were investigated in depth.

REGULATIONS

The Accident Prevention Department is responsible for developing safety regulations. In carrying out this responsibility, drafts of new regulations and of major amendments are circulated for comment and advice to all relevant labour, industrial and employer organizations. Meetings are held with such organizations to resolve any significant differences of opinion before the regulations are recommended for approval by the Board.

Recently a new Regulation Governing General Accident Prevention was prepared and distributed to all employers under the Act. The First Aid Regulations also apply to all employers under the Act. In addition, specific regulations are enforced dealing with specific industries such as building, construction, demolition, trenching, tunnelling, shaft sinking; petroleum and natural gas industry, lumbering industry, etc.

The Department administers the safety regulations governing the storage, use, handling, preparing and firing of explosives. Approximately 500 applications are reviewed annually and permits issued to persons qualifying under the regulations.

MINE RESCUE TRAINING

In 1967 the Board completed an agreement with the Department of Mines and Minerals under which the Mines Branch of the Department assumed the responsibility of establishing and operating Mine Rescue Stations and of recruiting and training mine rescue teams. Under the agreement, the Board continues to pay the costs involved.

MERIT AND SUPER-ASSESSMENT

The Board's merit and super-assessment plans (under which employers with favourable accident experiences may receive merit rebates while employers with unfavourable accident experiences may receive additional or super-assessments) continue to encourage employers to increase their efforts in connection with accident prevention.

REHABILITATION DEPARTMENT

The function of the Rehabilitation Department is to assist injured workmen in returning to some suitable type of employment as soon as practical following industrial accident.

The Board has a staff of Rehabilitation Officers who provide a counselling service available to all injured workmen and who assist such workmen in re-establishing themselves in gainful employment. Some members of this staff are attached to the Rehabilitation Clinic to give such service to patients while they are under treatment, whereas others are attached to the Edmonton, Calgary and Lethbridge Offices of the Board to serve the surrounding districts. Regular field trips are made to outlying districts so that assistance is made available to workmen in their own districts.

In cases where the remaining disability from a workman's injury is minimal, the Rehabilitation Officer may contact the employer with a view towards securing the workman temporary light work. If this is not practical, the employer may be encouraged to provide an entirely new job for the injured workman. If permanent disability has resulted from the workman's injury, and he is required to change his occupation, the Board may arrange for academic or vocational courses or on-the-job training, granting the necessary financial assistance for the successful completion of such retraining program. Upon completion of the course, assistance will be given in finding a job to match the workman's newly acquired skills.

Many employers have extended the cooperation necessary in the work of vocational rehabilitation and this fact, together with the continuing high level of employment in the Province, has greatly assisted the Rehabilitation Officers in returning injured workmen to suitable employment.

During 1967 the Rehabilitation Department dealt with some 3,657 cases of which 2,810 were rehabilitated in suitable employment. It is felt that the results of the rehabilitation program continue to be satisfactory and encouraging.

The Rehabilitation Officers also interview widows of fatally injured workmen in accordance with the Board's policy of personal interviews with all widows to advise them of the provisions of the Act which might concern them.

REHABILITATION CLINIC

The Rehabilitation Clinic of The Workmen's Compensation Board is an out-patient Clinic located in Edmonton. It was first opened in December, 1952 and was enlarged in 1956.

The objective of the Clinic is to restore injured workmen to their full physical potential and to assist in preparing them for their return to employment. To achieve this, it is completely equipped to provide the various therapy treatments which are given by a treatment staff consisting of Physiotherapists, Occupational Therapists, Remedial Therapists and Work Assessment Officers and supervised by staff of Medical Doctors. A Psychologist assists in the evaluation of patients' disabilities and rehabilitation.

A staff of capable Prosthetists construct, fit and maintain prostheses where these are necessary, and considerable time is devoted to instruction and practice in the use of these prostheses.

Members of the treatment staff attend seminars and courses at a variety of other centers and thus keep up to date in their respective fields of treatment.

University of Alberta physiotherapy and occupational therapy students attend classes at the Clinic and are given lectures and demonstrations in their respective fields. During the summer months, several of these students serve part of their internship at the Clinic. Lectures are also given to medical students.

Experience has shown that the best results are generally achieved when attending physicians refer patients to the Clinic at an early stage in their treatment. Every effort is made to preserve the doctor-patient relationship between such patients and their attending physicians, and to this end, regular reports are sent from the Clinic to the physicians involved. Patients are referred back to their attending physicians for examination and review upon request and instructed to report back to them on discharge from the Clinic.

"The Road to Recovery", a 16mm sound film in colour, shows the operations of the Clinic. It portrays a workman who receives an injury resulting in amputation of his leg. The workman's treatment and progress at the Clinic, until his discharge as fit to return to work, is followed in detail, thus showing the Clinic's general operations. The film is available for showing to interested parties on request.

STATISTICS RE REHABILITATION CLINIC — 1968

1. Number of patients treated	2,307
2. Average number of days in Clinic	37.9
3. Number of patient days	52,342
4. Number of treatments given	565,412

RESERVE FOR DISASTERS

Section 63 (1) (d) of the Act provides for the establishment of "a disaster reserve to meet the loss arising, or likely to arise, from disaster or other circumstances that, in the opinion of the Board, would unfairly burden the employers in any class".

The need for such a reserve arises out of the possibility of a catastrophe or of an abnormal number of relatively costly claims occurring within a class in any one year. For example, the total cost for permanent total disability could well exceed \$90,000.00, which amount would constitute a "disaster" to some classes. Without the existence of a Reserve for Disasters, it would be necessary to maintain the individual class balances at a greater figure than is now the case and the rates of assessment would be subject to more frequent and severe fluctuations than have occurred in recent years.

The following table shows the amount of the Reserve for each year from 1954 to 1968 with the amounts expended:

Year	Reserve as at January 1	Transferred to Accident Fund to Cover Costs of Disasters
1954	\$ 805,928.88	\$373,548.92
1955	692,454.13	280,870.10
1956	752,036.76	325,505.67
1957	852,736.51	324,176.30
1958	1,076,492.33	426,876.07
1959	1,316,509.56	374,792.82
1960	1,631,837.83	402,774.33
1961	1,854,048.44	213,351.96
1962	2,158,730.35	658,211.76
1963	2,146,452.02	247,607.27
1964	2,410,294.09	254,505.31
1965	2,680,534.99	545,934.32
1966	2,680,523.04	386,468.03
1967	2,895,520.47	722,387.41
1968	2,945,233.08	(est.) 557,000.00

RESERVE FOR REHABILITATION

This Reserve was established in 1948 under the provisions of The Workmen's Compensation Act, 1948, which directs that funds in the Reserve for Medical Aid and funds in the Reserve under Section 33 (1) (n) in excess of \$100,000.00 be transferred to a Reserve for Rehabilitation.

The Reserve is used to pay the costs of retraining workmen and other rehabilitation requirements and costs in connection with re-establishing workmen in employment including rehabilitation grants while a workman is being retrained or re-established. It is also used for payment of all operating costs of the Board's Rehabilitation Department and it is used to pay any operating deficits of the Rehabilitation Clinic and any further capital costs or equipment that may be required.

The following table shows the amount in the Reserve for each year since 1954 and the amounts expended:

Year	Reserve as at January 1	Charges re Rehabilitation	Charges re Rehabilitation Clinic	Other Charges	Total Charges
1954	\$1,329,893.73	\$ 34,328.52	\$251,207.14	\$26,456.40	\$311,992.06
1955	1,202,370.51	37,856.56	517,114.96	18,264.64	573,236.16
1956	801,887.60	45,587.53	254,439.39	26,885.44	326,912.36
1957	644,321.00	54,264.25	72,139.21	14,559.51	140,962.97
1958	702,827.78	58,253.26	2,819.53	10,626.84	71,699.63
1959	864,011.05	69,303.26	5,306.60	11,187.08	85,796.94
1960	918,424.39	92,895.47	7,721.80	8,290.94	108,908.21
1961	902,825.93	125,430.64	Cr 35,175.16	11,128.38	101,383.86
1962	926,592.91	139,335.39	37,610.63	8,154.90	185,100.92
1963	926,641.63	187,647.64	Cr 22,036.22	9,742.21	175,353.63
1964	936,971.43	177,752.39	4,029.95	11,401.09	193,183.43
1965	933,198.36	218,771.90	49,282.76	10,993.06	279,047.72
1966	894,079.76	218,880.13	91,640.09	9,219.53	319,739.75
1967	919,524.96	216,505.45	57,573.41	12,923.95	287,002.81
1968	1,028,223.93	210,000.00	106,000.00	10,000.00	326,000.00 (est.)

The expenditures in connection with the Rehabilitation Clinic in the early years included the cost of constructing the Rehabilitation Clinic.

RESERVE FOR SILICOSIS

The following table summarizes the experience of the Reserve during recent years:

Year	Reserve as at January 1	Transferred to Accident Fund to Cover Costs of Silicosis Claims
1954	\$623,764.39	\$ 48,493.30
1955	668,902.01	111,423.57
1956	680,997.94	161,119.74
1957	462,298.67	202,449.84
1958	512,226.04	84,916.08
1959	585,070.83	194,406.22
1960	529,691.18	272,007.48
1961	423,335.30	140,137.57
1962	422,201.73	82,257.39
1963	502,768.24	80,616.40
1964	675,316.22	195,213.77
1965	676,296.33	216,510.38
1966	663,042.67	82,977.29
1967	792,112.50	88,295.53
1968	925,652.54	(est.) 9,900.00

Although the costs of silicosis claims have been lower in recent years, and the amount estimated for 1968 in particular, it is not felt that a definite downward trend has been established.

At the present time, only those classes which have experienced silicosis as an industrial disease are making contributions to the Reserve for Silicosis.

RESERVE FOR ENHANCED DISABILITIES

The 1952 amendments to the Act provide that the Board maintain a reserve for the payment of such part of the cost of claims of workmen suffering enhanced disabilities because of similar and other disabilities previously suffered as in the opinion of the Board was due to previous disabilities. The amendments also direct that, to start the Reserve, the amount standing to the credit of the Reserve under Section 33 (1) (n) be transferred to this Reserve.

The Reserve is used for the purpose stated and the following table shows the use of the same from 1954 to 1968::

Year	Reserve as at January 1	Transferred to Accident Fund to Cover Costs of Enhanced Disabilities
1954	\$ 179,328.46	\$ 34,067.10
1955	186,239.11	39,278.40
1956	186,486.79	39,006.79
1957	189,409.88	104,151.40
1958	180,738.22	44,585.01
1959	194,560.61	24,998.91
1960	230,778.91	83,037.38
1961	243,202.79	231,490.80
1962	315,673.34	97,729.91
1963	465,746.81	68,589.62
1964	651,509.88	174,786.56
1965	743,935.86	226,088.36
1966	815,198.53	368,669.17
1967	864,863.79	286,854.44
1968	1,059,488.41	(est.) 246,000.00

Costs charged to this Reserve have fluctuated considerably during recent years. However, the trend has been toward substantially increased annual charges.

RESERVE — SECTION 84 (a)

The Board established this Reserve in 1965 to provide for the costs of claims accepted under Section 84 (a) of the Act.

The Reserve is used for the purpose stated and the following table shows the use of the same from 1965 to 1968:

Year	Reserve as at January 1	Transferred to Accident Fund to Lower Costs of Claims Accepted Under Section 84 (a)
1965	\$	\$18,782.07
1966	12,274.23	15,624.77
1967	33,580.37	154.29
1968	77,220.01	(est.) 4,800.00

THE WORKMEN'S COMPENSATION BOARD
BALANCE SHEET

As at December 31, 1967

ASSETS

Cash on hand and in banks	\$ 209,365.88
Short term deposits	675,000.00
Assessments receivable	\$ 631,432.81
Less: Reserve for doubtful assessments receivable	46,778.49
	<hr/>
Estimated adjustment re assessments receivable, net	\$ 584,654.32
	<hr/>
Advances to pensioners	2,136,924.24
Accounts receivable	<hr/>
Advances to employees secured by chattel mortgages	2,721,578.56
Accrued interest	74,234.38
Investments, book value	26,791.14
Less: Reserve for loss on realization	13,665.97
	<hr/>
Equipment, less accumulated depreciation	1,180,534.65
Automobiles, less accumulated depreciation	<hr/>
Office buildings, less accumulated depreciation	89,373,680.67
Land	1,787,923.13
	<hr/>
	87,585,757.54
Equipment, less accumulated depreciation	104,943.11
Automobiles, less accumulated depreciation	21,687.47
Office buildings, less accumulated depreciation	887,163.45
Land	371,976.04
	<hr/>
	\$93,882,698.19
	<hr/>

LIABILITIES AND RESERVES

Suspense	\$ 124,565.49
Employers' credit balance	\$ 387,857.48
Employers' deposit accounts	592,608.15
	<hr/>
Deferred income, net	980,465.63
Estimated merit rebates	484,933.88
Estimated liability in respect of claims pending and unfinalled claims	2,414,000.00
Pension liability — funded	<hr/>
Reserve for: Contingencies	14,388,590.93
Silicosis	57,179,808.66
Rehabilitation	<hr/>
Disasters	\$ 950,000.00
Enhanced disabilities	925,652.54
Section 84 (a)	1,028,223.93
	<hr/>
Operating reserve	2,945,233.08
	<hr/>
	1,059,488.41
	77,220.01
	<hr/>
	6,985,817.97
	11,324,515.63
	<hr/>
	\$93,882,698.19
	<hr/>

THE WORKMEN'S COMPENSATION BOARD
STATEMENT OF OPERATING RESERVE

As at December 31, 1967

Provisional class balances as at January 1, 1967	\$13,066,143.32
Deduct: Appropriations during prior years for:	
Reserve for contingencies	\$ 950,000.00
Reserve for loss on realization of investments	1,466,500.00
Reserve for doubtful assessments receivable	30,000.00
	<hr/>
	2,446,500.00
Operating reserve as at January 1, 1967	\$10,619,643.32
Add: Adjustments in respect of prior years	
as per Statement 5:	
Pension awards under Section 34	\$ Dr 2,250.55
Recoveries on fatal claims	12,263.93
Transfer from Reserve — Section 33-(1) (k)	53,559.45
	<hr/>
	\$ 63,572.83
Provisional surplus as per Statement 3	768,299.48
	<hr/>
	831,872.31
Deduct: Appropriation during the current year for:	
Reserve for loss on realization of investments	<hr/> 127,000.00
Operating reserve as at December 31, 1967, being	
provisional class balances after appropriations	<hr/> \$11,324,515.63

THE WORKMEN'S COMPENSATION BOARD
PROVISIONAL FINANCIAL STATEMENT BY CLASSES

For the year ended December 31, 1967

Class	Net	Net	Provisional	Provisional	Provisional
	Revenue	Expenditure	Surplus or *Deficit, 1967	Class Balances from Statement 5	Class Balances December 31, 1967
1	\$ 413,016.63	\$ 352,381.58	\$ 60,635.05	\$ 84,442.60	\$ 145,077.65
5	22,119.35	20,918.11	1,201.24	334,130.13	335,331.37
8- 3	140,832.01	108,333.46	32,498.55	147,750.58	180,249.13
8- 4	588,506.69	598,840.03	* 10,333.34	155,130.61	144,797.27
9- 1	428,325.29	451,288.44	* 22,963.15	253,725.71	230,762.56
10- 1	142,224.21	152,474.16	* 10,249.95	Dr 24,550.02	Dr 34,799.97
10- 2	269,378.49	256,890.64	12,487.85	50,162.90	62,650.75
13- 2	952,572.54	907,531.29	45,041.25	1,504,868.55	1,549,909.80
13- 4	108,425.47	130,092.87	* 21,667.40	117,997.42	96,330.02
15- 1	171,935.77	136,228.51	35,707.26	378,534.44	414,241.70
15- 8	64,915.74	88,175.69	* 23,259.95	689,742.07	666,482.12
15- 9	398,700.85	536,786.06	* 138,085.21	452,520.93	314,435.72
15-10	1,283,466.39	1,118,743.12	164,723.27	1,068,922.94	1,233,646.21
15-11	210,334.16	257,567.81	* 47,233.65	369,679.02	322,445.37
15-12	78,765.26	118,302.44	* 39,537.18	183,066.31	143,529.13
20- 1	1,268,940.66	1,067,151.27	201,789.39	415,215.95	617,005.34
20- 2	1,102,364.03	1,066,331.50	36,032.53	659,024.19	695,056.72
20- 4	24,881.08	39,928.83	* 15,047.75	3,863.76	Dr 11,183.99
27- 1	114,555.64	164,281.19	* 49,725.55	106,176.37	56,450.82
27- 3	459,954.94	426,261.64	33,693.30	16,301.06	49,994.36
37- 1	591,803.20	511,804.76	79,998.44	342,023.76	422,022.20
38	917,839.17	872,129.20	45,709.97	349,880.99	395,590.96
39- 1	5,540,919.08	4,754,075.34	786,843.74	1,872,488.12	2,659,331.86
39- 3	705,109.57	614,136.90	90,972.67	125,067.00	216,039.67
39- 4	1,414,627.01	1,557,664.12	* 143,037.11	401,358.55	258,321.44
39- 5	2,171.29		2,171.29	35,249.52	37,420.81
39- 6	782,453.29	775,623.34	6,829.95	594,834.42	601,664.37
39- 8	139,236.38	150,614.04	* 11,377.66	272,353.01	260,975.35
39-37	673,193.01	674,996.18	* 1,803.17	500,897.04	499,093.87
39-39	236,486.37	268,441.83	* 31,955.46	216,870.21	184,914.75
46	39,556.75	48,071.12	* 8,514.37	16,719.53	8,205.16
89- 1	115,527.15	105,485.82	10,041.33	167,073.97	177,115.30
89- 2	173,992.18	141,781.94	32,210.24	320,195.64	352,405.88
89- 3	626,077.10	621,502.64	4,574.46	494,760.01	499,334.47
97- 2	130,038.07	124,424.13	5,613.94	95,626.57	101,240.51
97- 3	519.04		519.04	11,407.91	11,926.95
	\$20,333,763.86	\$19,219,260.00	\$1,114,503.86	\$12,783,511.77(A)	\$13,898,015.63

(A) Provisional class balances, subject to reserve appropriations of the current and prior years as per Statement 2, held as operating reserve.

THE WORKMEN'S COMPENSATION BOARD
ANALYSIS OF INVESTMENTS

as at December 31, 1967

	Par Value	Book Value	% of Total	Earned Interest	% of Book Value
Government of Canada — Direct and Guaranteed	\$38,575,500.00	\$38,126,881.88	42.67	\$ 1,690,806.24	4.43
Province of Alberta — Guaranteed	\$16,686,000.00	\$16,683,513.15	18.67	\$ 926,198.28	5.55
Province of British Columbia — Direct and Guaranteed	3,617,000.00	3,573,919.55	4.00	197,950.30	5.54
Province of Manitoba — Direct and Guaranteed	4,485,000.00	4,441,217.69	4.97	231,353.36	5.21
Province of New Brunswick	2,467,500.00	2,447,996.17	2.74	112,511.58	4.60
Province of Newfoundland	855,000.00	843,567.70	.94	54,245.30	6.43
Province of Nova Scotia	2,739,000.00	2,783,913.10	3.11	147,584.46	5.30
Province of Ontario — Direct and Guaranteed	10,071,000.00	10,022,268.76	11.22	526,116.34	5.25
Province of Prince Edward Island	329,000.00	326,400.94	.37	17,412.94	5.33
Province of Quebec — Direct and Guaranteed	6,116,000.00	6,069,085.12	6.79	313,651.88	5.17
Province of Saskatchewan	4,064,000.00	4,027,790.40	4.51	210,929.62	5.24
Total Provinces	\$51,420,500.00	\$51,219,672.58	57.32	\$ 2,737,954.06	5.35
Calgary School District	\$ 10,000.00	\$ 9,996.40	.01	\$ 307.20	3.07
Lethbridge School District	3,750.00	3,770.00	—	186.25	4.94
Total School Districts	\$ 13,750.00	\$ 13,766.40	.01	\$ 493.45	3.58
Accrued amortization of premium and discount, net				\$ 4,429,253.75	4.95
Total Investments	\$90,009,750.00	\$89,373,680.67		\$ 4,429,253.75	4.95

ASSESSMENT RATES

Comparison of Rates of Assessment for the Years 1961 to 1968

Class	Industry	1961	1962	1963	1964	1965	1966	1967	1968
1	Underground Mining	\$7.00	\$7.25	\$8.25	\$8.00	\$9.00	\$11.00	\$11.00	\$11.00
5	Strip mining operation of briquetting plants	1.00	.50	.25	.25	.25	.25	.25	.25
8- 3	Manufacture and/or repair of Metal doors, windows, awnings, agricultural implements, brick and tile brick, roofing products, plaster board, etc.								
8- 4	Operation of sash and door factories; manufacture and/or repair of trailers, wooden boxes, plywood and outdoor displays, advertising, etc.								
9- 1	Operation of flour mills, seed cleaning plants, feed chopping mills, creameries, hatcheries, etc; manufacture of food products, beverages, etc.								
10- 1	Manufacture of wearing apparel, textiles, etc; office equipment and other light manufacturing operations								
10- 2	Operation of bakeries, cleaning plants, upholstering; Manufacture and/or repair of upholstered furniture, mattresses, boats, store products, paper products, etc.								
13- 2	Manufacture of lumber (Per M.F.B.M.)								
13- 3	Operation of sash and door factories; manufacture of wood boxes, plywood, brick and tile brick, stone products, roofing products, etc.								
13- 4	Operation of retail lumber yards								
15- 1	Manufacture of cement, lime, rock wool insulation, concrete products								
15- 8	Operation of gas or oil wells								
15- 9	Seismic operations; servicing of gas or oil wells by means other than service rigs								
15-10	Drilling for gas or oil wells								

See Note A
Reclassified from Classes 13-3 and 20-3

See Note A

ASSESSMENT RATES

Comparison of Rates of Assessment for the Years 1961 to 1968

Class	Industry	1961	1962	1963	1964	1965	1966	1967	1968
15-11	Operation of refineries; manufacture of paints, chemicals, etc.70	.60	.50	.50	.50	.50	.50	.50
15-12	Natural gas distribution; operation of gas and oil pipe lines60	.50	.30	.30	.30	.30	.35	.55
20- 1	Automobile, truck and implement dealers; operation of automobile and truck repair and service shops								
20- 2	Operation or machine shops, foundries, etc.								
20- 3	Operation of bus lines, upholstering shops, etc.; manufacture of mattresses, caskets, boats, etc.; refrigeration servicing	1.15 3.00	1.15 2.50	1.35 2.50	1.45 2.50	1.60 2.50	1.60 2.50	1.60 2.50	1.50 2.50
20- 4	Overhaul, maintenance and repair of aircraft etc.								
27- 1	Operation of grain elevators								
27- 2	Operation of flour mills, seed cleaning plants, feed chopping mills, etc.; manufacture of cereal products, beverages, etc.								
37									
27- 3	Operation of abattoirs, meat packing plants, etc.								
37- 1	Operation of cold storage lockers; wholesaling, warehousing, storage								
37- 5	Operation of bakeries, creameries, laundries, hatcheries; manufacture of wearing apparel, textiles, glass products, typewriters, etc.								
38	Operation of retail stores, restaurants, hotels, etc., printing								
39- 1	Construction—general, highway, cement, bridge, etc.; carpentry, demolition, excavating, building moving, etc.; operation of sand, shale or gravel pits concrete mixing plants								
		3.25	3.10	3.10	3.25	3.50	3.50	3.50	3.50

ASSESSMENT RATES

Comparison of Rates of Assessment for the Years 1961 to 1968

Class	Industry	1961	1962	1963	1964	1965	1966	1967	1968
39- 3	Painting; plastering, roofing, etc.	1.90	2.10	2.40	2.40	2.75	3.10	3.00	3.00
39- 4	Teaming, trucking, mail contracting outside city limits (excluding rural delivery or staging mail routes)	4.00	3.75	3.75	3.75	3.50	3.50	3.75	4.00
39- 6	Plumbing, electric wiring, metal roofing, heating, tinsmithing, floor laying	2.00	2.00	2.00	1.90	1.90	1.90	1.90	1.90
39- 8	Light and power, telephones and telegraph operations	1.60	1.30	1.30	1.15	1.00	1.00	1.25	1.25
39-37	Placer gold mining, uranium prospecting and mining	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
	Manufacture of wood pulp	1.10	.90	.90	.90	.90	.90	.90	.90
	Operating of tanneries	1.50	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	Loading and unloading of grain into or from grain elevators or annexes	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
	Drilling of water wells (by application)	5.50	3.10	3.10	3.10	3.25	3.25	3.50	3.50
	Boat and vessel transportation; fishing (by application)	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
	Cutting and distribution of natural ice	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
	Employees of workmen in or about coal mines	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	Mail contractors within city limits	1.30	1.30	1.30	1.30	1.30	1.30	1.75	2.25
	Manufacture or retreading of rubber tires							1.75	2.25
	Manufacture of vehicles							1.75	2.35
	Manufacture of ice (not elsewhere stated)							1.75	1.75
	Reclassified from Class 20-2	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10
	Reclassified from Class 27-2	3.00	3.00	3.00	2.75	2.75	2.75	2.60	2.50
	Reclassified to Class 10-2								
	Reclassified to Class 10-2								

ASSESSMENT RATES

Comparison of Rates of Assessment for the Years 1961 to 1968

Class	Industry	1961	1962	1963	1964	1965	1966	1967	1968
	Reclassified from Class 27-2								
Irrigation systems	Reclassified from Class 27-2	1.30	1.30	1.30	1.60	1.75	1.75	1.75	1.75
Exhibition associations	Reclassified from Class 27-2	.80	.80	.80	.80	.80	.80	.80	.80
Extracting, processing and refining of salt Manufacture and installation of vacuum cleaning systems	Reclassified from Class 27-2	.80	.80	.80	.80	.80	.80	.80	.80
Operation of Senior Citizen's homes									
Travelling salesmen (by application); trade unions (by application)		1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Operation of stock yards, feed lots, cattle auction markets (by application); livestock dealers (by application)		1.10	1.00	.80	.80	.80	.70	.70	.70
General surveying (by application)	Reclassified from Class 27-2	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.75
Consultant engineering (by application)		2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Radio and television transmission		1.50	1.25	1.00	1.00	.75	.60	.50	.50
Operation of bus lines	Reclassified from Class 38								
39-39 Operation of active treatment and auxiliary hos- pitals, nursing homes	Reclassified from Class 20-3								
46 General farming (by application)40	.40	.35	.35	.35	.35	.35	.45
89-1 Towns and villages		3.00	3.00	3.00	4.00	4.00	5.00	5.00	5.00
89-2 Municipal districts and counties		2.40	2.40	2.40	2.25	2.15	2.00	2.00	2.00
89-3 Cities		1.50	1.40	1.35	1.35	1.25	1.15	1.15	1.15
97-2 School divisions and city school boards or dis- tricts		1.05	.90	.85	.85	.85	.95	.95	.95
Industries not otherwise classified — rates on application.		.40	.40	.50	.50	.50	.60	.60	.70

NOTES:

A. Classes 13-3, 20-3, 27-2 and 37-5 were analyzed during 1964 and the various industries included in these classes were reclassified to new classes 8-3, 8-4, 9-1, 10-1 and 10-2 effective January 1, 1966. This reclassification was based on five years of accident experience of the industries and resulted in an assessment rate increase for those industries that had costs in excess of revenues and an assessment rate decrease for those industries whose costs were less than revenues.

B. A similar analysis was completed in 1968 for Classes 39-1, 39-3 and 39-6, which resulted in the reclassification of the industries in these classes into nine new classes effective January 1, 1969.

Rate Changes	1961 - 1964	1964 - 1968	1961 - 1968
Increased.....	7	26	21
Decreased.....	21	10	21
Same.....	25	18	12

INVESTMENTS

An analysis of the investment portfolio of the Board as at December 31, 1967 is given in the schedule included herein.

During the years 1965 to 1968 both interest rates and the amount of funds available for investment increased considerably. The Board was therefore able to make new investments on a very favorable basis and thus increase the average rate of return on the funds invested from 4.38% as at December 31, 1963 to 4.95% as at December 31, 1967.

The Board has continued its policy of investing only in the direct and guaranteed issues of those bodies which provide the highest degree of security, namely the Government of Canada and the Governments of the various Provinces.

PENSION FUND

Section 62 subsection 4 of the Act provides that the Board shall have an actuarial evaluation of its pension accounts made every five years, or in such lesser period as the Lieutenant Governor in Council may direct, by an independent duly qualified actuary whose report shall be made to the Board and laid before the Legislature in the same manner as an annual report.

Pursuant to this Section the Board has instructed its consulting actuaries to undertake an actuarial evaluation of its pension accounts as at December 31, 1968. This evaluation will be completed and the actuary's report presented to the Board in 1969.

The investments of the Pension Fund form a substantial portion of the investments of the Board and the average yield rates of the Board's investments at various dates have been:

December 31, 1951	3.03%
December 31, 1954	3.17%
December 31, 1959	4.04%
December 31, 1963	4.38%
December 31, 1967	4.95%

It will be noted that the yield rates have increased steadily during the period shown and the required rate of earnings on the Pension Fund has accordingly been increased during this period, the most recent increase being from 3¾% to 4% effective January 1, 1965. The current actuarial review will include a recommendation as to whether or not the required rate of earnings on the Pension Fund should be increased further.

The Board has continued its policy of crediting the Pension Fund only with the required rate of earnings and any interest earnings in excess of this amount are credited to the Classes on a pro rata basis.

SPECIAL RESERVES

For reference purposes, Statements 1 and 2 and extracts from Statement 4 are reprinted from the 1967 Annual Report of the Board and appended hereto.

The Balance Sheet of the Board as at December 31, 1967 contains the following items:

Reserve for contingencies	\$ 950,000.00
Reserve for loss on investments	1,787,923.13
Operating reserve per Statement 2	11,324,515.63

Statement 4 of the 1967 report sets out the status of each class as at December 31, 1967. Individual balances, totalling \$13,898,015.63, are the net figures after taking into account all items of revenue including assessments, penalties and interest earnings, and all items of expenditure including claim costs, both known and estimated, in respect of accidents occurring on or before December 31, 1967, administrative expenses and provisions for the Reserves for Disasters, Silicosis, Rehabilitation, Enhanced Disabilities and Section 84 (a) from the inception of the Act to December 31, 1967.

Broadly speaking, the balance shown on Statement 4 for each class could be referred to as the "net worth" of that class.

The total of \$13,898,015.63 shown on Statement 4 is carried forward into Statement 2 in three separate items, namely, provisional class balances as at January 1, 1967 amounting to \$13,066,143.32, a provisional surplus of \$768,299.48 for the year ended December 31, 1967 as per Statement 3, and a net adjustment of \$63,572.83 in respect of the years prior to 1967, as per Statement 5. The total of the provisional class balances is reduced on Statement 2 for inclusion on the Balance Sheet by certain appropriations for Special Reserves. The amount shown on the Balance Sheet as being the operating reserve of the classes is therefore the total of the provisional class balances reduced by these appropriations and it should be noted that the appropriations have not been charged against the individual classes and thus have not affected the amounts shown as being the individual class balances. If any charge were made against any of these reserves it would be necessary to distribute such item and charge it against the various class balances. On the other hand, if any of these reserves were removed from the Balance Sheet the individual class balances would not be increased since the appropriations had not been charged against the balances in the first place. The only effect of such action would be to increase the amount shown on the Balance Sheet under the heading "Operating Reserve" and to eliminate the amount from the reconciliation, as set out in Statement 2, between Statement 4 and the Balance Sheet.

CONCLUSION

On the surface, this report appears similar to all other reports issued at four year intervals on the subject of Workmen's Compensation. However, this is not so — for the first time since the passing of The Workmen's Compensation Act in Alberta in 1918, a departure has been made from the basic concept of Workmen's Compensation.

This basic concept was that compensation for workmen in Industry, who met with injury or suffered from industrial disease, should be regarded as risks of the Industries, and compensation for them should be paid by the Industries.

If recommendations made by the Committee are accepted by this Legislature, a departure will be made from this basic concept of Workmen's Compensation. In brief, the Committee is recommending that permanent disability pensions, total and partial, be recalculated to bring them to the level of present day pensions, and that the cost be met from the general revenues of the Province.

These pensions were awarded from the year 1918, onward, under varying formulas, and they vary greatly. Once awarded, the pension has never been changed to this day. We now have a wide difference in the pensions being paid for the same disability, depending upon the time, and the table under which the pensions were awarded. The following are examples of partial permanent injuries and pensions paid:

Loss of one leg below knee:	
Pension in 1932	\$ 52.04
Pension in 1969	140.00

Thus we have today, two men with the same disability, one receiving \$52.04 and the other \$140.00.

Loss of one eye:	
Pensions vary from \$17.06 per month to \$48.80 at the present time.	

For total permanent disabilities a workman losing the sight of both eyes received a pension of \$85.37 in 1939; less prior to that date. Today the pension for the same injury to a workman in a similar wage category is \$350.00.

Pensions for the loss of both feet were \$60.06 in 1939; \$350.00 in 1968; for both hands \$50.99 in 1939; \$350.00 in 1968.

These are but a few examples to indicate the wide variance of pensions paid for the same disability.

The Committee was unanimous in the opinion that all pensions should be re-calculated to the present scale of compensation.

It would, for obvious reasons, be impossible to charge Industry, greatly changed from 1918, with the cost of the increased pensions. The Committee is recommending that the cost be met from the general revenues of the Province, either on a yearly basis or by capitalization, but paid through the media of the Workmen's Compensation Board.

BOARD

The Committee, in dealing with the various phases of securing information for this report, was pleased with the general satisfaction expressed with the Workmen's Compensation Board's

administration of the Act. The magnitude of the work of the Board can be realized when it is considered that during 1967, 63,466 claims, and in 1968, 62,926 claims, were handled through the various channels of the Board.

The Committee has received the utmost co-operation from members of the Board and from its senior officials. All demands for statistical and other information were promptly met, and the officials have stood ready at all times to be of service when requested.

ACKNOWLEDGEMENTS

The Committee desires to express its thanks to all those who assisted in furthering its investigations, and without whose help its task would have been most difficult.

We particularly wish to thank those whose representatives, by way of written submissions and public hearings, formed the basis of the work of the Committee. Much thought and work went into the various submissions heard by the Committee. It was to be expected that those representing the various labour organizations would seek an improvement in compensation and other benefits for those they represented. Representatives of industry on the other hand were naturally concerned about mounting costs, all of which are assessable wholly against the employer. All argument was presented in a temperate manner.

Other submissions outlined problems of individual professions, trades or groups. Thus, a well rounded fund of information was supplied which was of inestimable value to the Committee.

(Signed)

ASHLEY COOPER,
Chairman.

Alberta. Special Committee on the
Workmen's Comentsation Act 1969
Report

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